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AUTO BAILOUT LEGISLATION A ROADBLOCK TO THE REAL SOLUTION

WASHINGTON – This evening, the U.S. House of Representatives voted to pass [H.R. 7331](#), the Democrat Auto Financing Bill. Congressman Mike Conaway (TX-11) issued the following statement in opposition to the legislation:

“The legislation that passed tonight is a step in the wrong direction on the road to a solution to this massive problem. This bill essentially writes a \$14 billion blank check paid for by American taxpayers who are not yet born. Bringing this problem to the halls of Congress only wastes valuable time that could be better spent fixing the problem the same way every other industry does – filing for Chapter 11 of the United States Bankruptcy Code. Chapter 11 exists for precisely this type of issue, allowing companies and industries to reorganize and renegotiate to allow themselves to emerge from bankruptcy and get their feet back on solid ground.

“The bill also appoints a ‘car czar’ with unfettered power to exercise in the operation of this act, without dealing with the significant conflict of interest inherent in one person making the decisions necessary to implement this bill for three companies that are, and should remain, competitors.

“This is a challenging time for our nation and for the automobile industry in particular, however legislation such as this prolongs the pain instead of addressing the problem and productively rebuilding the industry.”

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